

UNITED STATES BANKRUPTCY COURT
EASTERN DISTRICT OF NEW YORK

Chapter 11

In re:

LIGHTNING AB CORP.,

Case No.: 09-76

Debtor.

Judge:

**AFFIDAVIT UNDER LOCAL RULE 1007-4 OF
THE U.S. BANKRUPTCY COURT FOR THE
EASTERN DISTRICT OF NEW YORK**

STATE OF NEW YORK)

) ss.:

COUNTY OF NASSAU)

NICOLO LAVISTA, being duly sworn, deposes and says:

1. I am the President of **LIGHTNING AB CORP.**, (hereinafter referred to as the "Debtor") and I submit this Affidavit in accordance with Local Bankruptcy Rule 1007-3.

2. **Description of Debtor and Events Leading to Chapter 11 Filing.** The Debtor is a single asset real estate New York corporation.

The debtor fell behind with its financial obligations and now requires bankruptcy relief due to the pending foreclosure sale being prosecuted by the holder of the first mortgage, Mitchell Domin ("Domin") in the original principal amount of \$600,000.

3. **Summary of the Debtor's Assets and Liabilities.** The debtor's primary assets consists of a parcel (four lots) of real property approximately .4 acre in size and improved by a two-story restaurant of approximately 5,000 sf located at 16-18 Cottage Row, Glen Cove, NY 11542 (Nassau County Tax Map Block 31, Lot 4, Lots 226-229)("Premises"), with a value which it estimates to be approximately \$850,000. The debtor obtained title to the Premises from Nicolo

Lavista, its sole shareholder and officer on September 28, 2009, subject to the following indebtedness:

The debtor has only one significant secured debt consisting of the first mortgage of Mitchell Domin in the original principal amount of \$600,000. Mr. Domin commenced a foreclosure action in which he claims an amount due of approximately \$1.1 million, exclusive of temporary receiver fees and legal fees claimed of approximately \$50,000. In addition, there is a second mortgage from New Stream Real Estate LLC (“New Stream”) in the original principal amount of \$480,000, together with claimed interest estimated at approximately \$250,000.

4. **Prior and Pending Litigation.** The debtor has not been engaged in any pending litigation. There is pending against the Premises an action pending in Supreme Court, Nassau County entitled Domin v. Lavista, Index No. 019399/2007. There is also pending against the Premises an action pending in Supreme Court, Nassau County entitled New Stream Real Estate LLC v. ANGM Management, ANGM Corp., Nicolo Lavista et al., Index No. 16342/2007. Debtor anticipates that it will, pursuant to 11 U.S.C. §365(g), reject the lease of Won Long Won Restaurant Inc. (“Won Long”), which has filed for Chapter 7 protection, E.D.N.Y case no. 8-09-76572, and evict Won Long.

5. **Creditors and Claims.** The Debtor’s creditors are listed above, and it anticipates that Mr. Domin will become partly unsecured, and New Stream will become entirely unsecured pursuant to 11 U.S.C. §506. All information required by Local Rule 1007-4 (a)(vi), which requires the debtor to provide information about its five largest secured creditors, is set forth in Schedule “D” to the petition. There are only two secured creditors.

6. **The Debtor is a Small Business Debtor.** The debtor is a small business debtor within the meaning of Bankruptcy Code § 101(51 D).

7. **Summary of reason for seeking bankruptcy relief.** The Debtor was constrained

to file a petition requesting relief under chapter 11 of the Bankruptcy Code because of the pending foreclosure sale by Mr. Domin.

8. **Publicly traded equities.** No shares of stock, debentures or other securities of the Debtor are publicly held.

9. **Debtor's business location.** The Debtor conducts its business affairs from an office located at 49 Glen Cove Road, Glen Cove, NY 11542.

10. **Books and Records.** The books and records are located at the debtor's place of business. None of the assets of the Debtor are located outside the territorial limits of the United States.

11. **Thirty-day Payroll.** The Debtor's estimated gross weekly payroll (exclusive of officers, directors, partners and shareholders) for the thirty day period following the filing of the chapter 11 petition will be approximately \$0 per biweekly pay period.

12. **Salary of Officers.** The amount now being paid and proposed to be paid by the Debtor as salary to its officers, directors, partners and stockholders is \$0 per biweekly pay period.

13. **Thirty-day Operating Expenses.** The estimated additional operating expenses for the thirty (30) day period following the filing of the petition are approximately \$ 7,500.

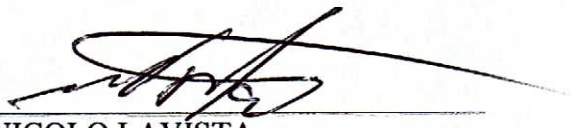
14. **Thirty-day Profits and Losses.** The Debtor anticipates that it due to the need to evict ("Won Long"), it will operate at a loss, from the operation of its business during the thirty day period following the filing of the Chapter 11 petition. The debtor projects that it will take in approximately \$0, which is less than it estimates its projected expenses will be.

15. **Debtor-in-Possession.** The Debtor desires to continue the operation of its business. It is in the best interests of the estate and its creditors to have the Debtor operate its business and continue in possession of its property as a debtor-in-possession while negotiations toward a plan of reorganization are undertaken.

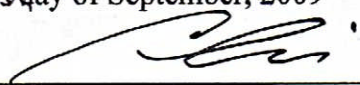
16. **Debtor's Principals.** The company is managed by one individuals: its president, Nicolo Lavista, who own 100% of the outstanding stock in the company, and has been responsible for the day-to-day management of the business and major decisions affecting this corporation.

17. **Creditors Committee.** No creditors committee was formed prior to filing of the bankruptcy.

18. **Prior Filings.** The debtor has never filed for any kind of bankruptcy relief prior to this filing.


NICOLO LAVISTA

Sworn to before me this
24th day of September, 2009



NOTARY PUBLIC

CHRISTOPHER CINTRON
NOTARY PUBLIC-STATE OF NEW YORK
No. 01CI6203939
Qualified in Nassau County
my Commission Expires April 13, 2013